

Message Text

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43

ACTION SS-30

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FM AMEMBASSY REYKJAVIK

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C O N F I D E N T I A L REYKJAVIK 1271

EXDIS

DEPT PASS COMICEDEFOR, CINCLANT AND SECDEF

EO 11652: XGDS-1

TAGS: PFOR MARR IC NATO

SUBJECT: IDF RETENTION NEGOTIATIONS

REF: (A) STATE 201414; (B) STATE 201415; (C) REYKJAVIK 1269

1. REFTELS (A) AND (B) CONTAIN OBJECTIVES WHICH WE SHOULD, INDEED, STRIVE TO ACHIEVE AT GREATEST BENEFIT AND AT LEAST COST TO USG. I AM PLEASED THAT FOR THE MOST PART THEY ARE A REAFFIRMATION OF ACTIONS ALREADY UNDERTAKEN IN PRELIMINARY NEGOTIATIONS IN REYKJAVIK. THERE ARE, HOWEVER, SOME CONSIDERATIONS WHICH THIS EMBASSY HAS APPARENTLY FAILED TO CONVEY ADEQUATELY TO WASHINGTON, BUT WHICH IF TAKEN INTO ACCOUNT WOULD CALL FOR DIFFERENT TACTICS THAN SUGGESTED BY DEPT'S GUIDANCE. THESE ARE AS FOLLOWS:

2. SEPARATION OF FUNCTIONS: GOI BELIEVES IT ALREADY HAS A USG COMMITMENT TO UPGRADE THE AIRFIELD TO FAA CATEGORY II STANDARDS. MOST RECENT CONFIRMATION OF THIS IS CONTAINED REFTEL (C) WHICH REPORTS CONVERSATION BEFORE GUIDANCE TRANSMITTED BY DEPT. IN BRIEFINGS I RECEIVED AT IDF ABOUT TWO YEARS AGO I WAS SHOWN A MULTI-YEAR PLAN FOR ACHIEVING CATEGORY II LEVEL. I MUST HAVE HEARD AT LEAST A DOZEN TIMES SINCE THEN FROM GOI AND LOFTLEIDIR OFFICIALS, INCLUDING AGNAR KOFOED-HANSEN, HANS ANDERSEN, AND FONMIN
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AGUSTSSON ABOUT SUCH PLANS. IT, THEREFORE, WILL NOT BE

TAKEN BY GOI AS ANY NEW CONCESSION ON OUR PART IF, WHEN
 PRESSED, WE SAY WE ARE PREPARED TO SEEK FUNDS TO UPGRADE
 THE AIRFIELD TO CATEGORY II FLIGHT OPERATIONS. THE WHOLE
 CIVIL AVIATION PICTURE IS BECOMING MORE CONFUSING. I THINK
 IT WOULD BE WORTH CHECKING WITH FAA IMMEDIATELY WHAT
 COMMITMENTS OR IMPLIED COMMITMENTS CONCERNING CIVIL AVIATION
 IN ICELAND THE FAA IS AWARE OF. WASHINGTON SHOULD NOT
 BE UNDER ANY ILLUSION THAT CATEGORY II PROPOSAL IS AN
 ADDITIONAL BARGAINING CHIP. HOWEVER, THE FIRST, SECOND
 AND THIRD FALLBACK CONCESSIONS ALTOGETHER MAKE THE USG
 PACKAGE IMPRESSIVE IN A JOINT-FINANCING VENTURE. I AGREE
 WE SHOULD RESIST GETTING INVOLVED IN THE CONSTRUCTION OF
 CIVILIAN TERMINAL BUILDING PER SE. WE SHOULD RESTRICT
 USG FINANCING TO VENTURES THAT HAVE A MILITARY AS WELL AS
 A CIVILIAN PURPOSE. AS MATTERS STAND NOW, THE FONMIN,
 THE PRIMEMIN, AND ICELANDIC CHAIRMAN OF THE ICELANDIC
 DEFENSE COUNCIL (PALL ASGIER TRYGGVASON) HAVE SUGGESTED
 TO ME THAT USG NOT O(RPT NOT) BUILD THE \$1.8 MILLION
 TEMPORARY ACCESS ROAD BUT THAT INSTEAD THE MONEY BE
 APPLIED TOWARD CONSTRUCTING A NEW TERMINAL (WHICH WE
 SHALL NOW CALL "COMPLEX"). I HAVE MADE IT KNOWN TO THEM
 THAT ONLY USG COMMITMENT IS CONSTRUCTION OF ACCESS ROAD
 AND IF GOI WANTS THE ROAD TO THE NEW COMPLEX INSTEAD OF
 A TEMPORARY ROAD TO CURRENT TERMINAL, I DOUBTED USG
 WOULD OBJECT. PRIMEMIN, FONMIN AND HANS ANDERSEN SO FAR
 REFUSE TO ACCEPT NOTION THAT USG COMMITMENT IS FOR ACCESS
 ROAD ONLY, BUT THEY HAVE NOT MADE ANY SPECIFIC COUNTER-
 PROPOSALS YET. AS APPROPRIATE I SHALL PROCEED ALONG THE
 STEPS DESCRIBED IN GUIDANCE BUT WILL BE INCLINED NOT TO
 EMPHASIZE THE CATEGORY II AS A NEW PROPOSAL. INSTEAD
 POINT OUT THAT IF OR WHEN (WHICHEVER WORD IS APPROPRIATE)
 WE ADD CATEGORY II PROGRAM, THE USG CONTRIBUTION TO A NEW
 AIR COMPLEX BECOMES SUBSTANTIAL. I DOUBT WE WILL SETTLE
 SPECIFICS ON THIS IN THE FOUR DAYS REMAINING BEFORE
 FONMIN DEPARTS FOR NEW YORK, ALTHOUGH I STILL HOPE WE CAN
 ACHIEVE SOME AGREEMENT IN PRINCIPLE AND A RECOGNITION BY
 GOI THAT EXTENT OF U.S. INVOLVEMENT REQUIRES FURTHER
 DISCUSSION AT A LATER DATE.

3. RESTRICTION OF BASE PERSONNEL: THIS MUST (RPT MUST)
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BE ACCOMPLISHED, BUT I AM CONCERNED THAT THE INCLUSION
 OF PARA 5 IN THE MOU MIGHT PRODUCE THE OPPOSITE OF THE
 OBJECTIVE INTENDED, EVEN IF THE FONMIN SHOULD AGREE TO
 ITS INCLUSION. THERE IS NO SENTIMENT AMONG THE POLITICIANS
 TO TAKE A FAVORABLE STAND ON THIS IN THE OPEN, NOT EVEN
 AMONG THOSE WHO FAVOR RETENTION OF THE IDF OR EVEN THIS
 PARTICULAR POINT. IF THE MOU IS SUBMITTED TO THE ALTHING,
 PARA 5 STANDS A CHANCE OF BEING KNOCKED OUT. IT WOULD THEN

BE INTERPRETED AS MEANING RESTRICTIONS SHOULD NOT BE REMOVED AND IT MIGHT PRECLUDE SUBSEQUENT RELIEF THROUGH ICELAND DEFENSE COUNCIL ADMINISTRATIVE ACTION. I RECOMMEND I BE PERMITTED TO PURSUE COURSE OF ACTION I ALREADY STARTED (SEE REFTTEL (C) AND PREVIOUS). IF NOT ACCOMPLISHED, THEN I SHOULD SEEK TO HAVE FONMIN MAKE ORAL ASSURANCE ON RELAXATION DURING SEP 26 MEETING SIMILAR TO ASSURANCE WE ARE ASKING HIM TO GIVE REGARDING PROHIBITION OF STRIKES (PARA 10 REFTTEL B). ACTION REQUESTED: I BE AUTHORIZED BY IMMEDIATE RETURN CABLE TO STRIKE PARA 5 FROM MOU, WITH UNDERSTANDING WE PURSUE HERE AND IN WASHINGTON OUR OBJECTIVE VIGOROUSLY. I SHALL WITHHOLD GIVING ANDERSEN THE DRAFT MOU UNTIL I RECEIVE FURTHER INSTRUCTIONS THIS POINT.

4. FLEXIBILITY IN ADJUSTING PERSONNEL LEVELS: I REALIZE THE NEED FOR THIS PROVISION AND CONCUR, BUT AS WORDED IN THE MOU IT COULD JEOPARDIZE THE ENTIRE NEGOTIATIONS AND EMBROIL US IN DOMESTIC POLITICS. REFERENCE TO THE RIGHT OF THE USG TO CHANGE THE SIZE OF THE IDF UNILATERALLY BECAUSE OF BUDGETARY CONSTRAINTS COULD UNDERCUT OUR CREDIBILITY AT THIS PARTICULAR MOMENT. I BELIEVE WE CAN ACHIEVE THE SAME OBJECTIVE OF SAFEGUARDING THE FLEXIBILITY REQUIRED BY BUDGETARY CONSTRAINTS WITHOUT BEING SO BLUNT ABOUT IT, YET SAYING WHAT WE WOULD LIKE TO BE ABLE TO DO. I SUGGEST THAT THE SECOND SENTENCE OF PARA TWO OF THE MOU BE CHANGED TO READ AS FOLLOWS (OR SOMETHING ELSE WHICH DEPT CAN COMPOSE THAT CONVEYS THE INTENT): "HOWEVER, THE UNITED STATES DOES NOT SEEK TO EMPLOY OR RETAIN MORE UNITED STATES OR ICELANDIC PERSONNEL THAN CIRCUMSTANCES WARRANT, AND, THEREFORE, MAY CHANGE THE SIZE AND COMPOSITION OF THE ICELAND DEFENSE FORCE." INCLUSION OF THE WORDS "BUDGETARY CONSTRAINTS" CAN EMBARRASS PRIMEMIN HALLGRIMSSON
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AND THE STAUNCHEST IDF SUPPORTERS. THE RECENT ELECTION CAMPAIGN CONTAINED MANY CHARGES AND COUNTER-CHARGES ABOUT THE CREDIBILITY OF THE USG IN DEFENDING ICELAND. HALLGRIMSSON HAS STUCK HIS NECK OUT FAR BY HIS ELECTION STATEMENTS THAT SUBSEQUENT CHANGES IN THE SIZE AND COMPOSITION OF THE IDF WILL BE UNDERTAKEN ONLY WITH DUE CONSIDERATION TO THE DEFENSE REQUIREMENTS OF ICELAND. HIS OPPONENTS HAVE CLAIMED THAT USG MAINTAINS IDF ONLY OR ESSENTIALLY FOR US DEFENSE PURPOSES AND WOULD NOT HESITATE TO TAKE ACTIONS CONTRARY TO ICELAND'S DEFENSE NEEDS IF IT SUITED SOME OTHER USG PURPOSE. IDF PRO-PONENTS HAVE A FEAR THAT IF TROOP REDUCTIONS IN EUROPE ARE REQUIRED BY A MANSFIELD AMENDMENT OR THE LIKE, USG MIGHT MAKE AN UNBALANCED, DISPROPORTIONATE CUT IN ICELAND. HALLGRIMSSON MANY TIMES WHEN HE WAS IN THE POLITICAL

OPPOSITION HAS STATED TO ME AND TO OTHER USG OFFICIALS THAT HE CANNOT BE FOR MORE DEFENSE THAN THE USG WANTS AND HE ASKED CONSTANTLY FOR REASSURANCE THAT HE WAS NOT OUT AHEAD OF THE USG ON THIS. HE ALSO CONSTANTLY SOUGHT ASSURANCE THAT REDUCTIONS IN MILITARY MANPOWER BEYOND THOSE ALREADY AGREED UPON WOULD BE BASED ON AN ASSESSMENT OF DEFENSE REQUIREMENTS AND THOSE PERMITTED BY TECHNOLOGICAL IMPROVEMENTS (SUCH AS SATELLITE COMMUNICATIONS IN FUTURE, NEW WEAPONS DEVELOPMENT, NEW STRATEGIC CONCEPTS, ETC.) WE NEVER GAVE HIM THESE ASSURANCES IN SO MANY WORDS, BUT WE DID NOT DISABUSE HIM OF THEM EITHER. IN HALLGRIMSSON'S MIND AND AMONG OTHERS, THE CONCERN HAS NOT BEEN TO MAINTAIN ANY SPECIAL LEVEL OF ICELANDIC EMPLOYMENT. BOTH THE PRO AND ANTI-IDF ELEMENTS IN ICELAND ARE MORE CONCERNED ABOUT THE LEVEL OF AMERICAN MILITARY MANPOWER, EACH HAVING THEIR OPPOSING VIEWS. WE SHOULD NOTE THAT THE GOVT'S DEFENSE PLATFORM CALLS FOR RETENTION OF AN UNIMPAIRED IDF "IN ACCORDANCE WITH THE SECURITY INTERESTS OF ICELAND AT ANY TIME" (PARA 6 OF REYKJAVIK TEL 1242). IF AND WHEN USG WANTS TO MAKE CUTS IN BOTH AMERICAN AND ICELANDIC MANPOWER AT A LATER DATE I BELIEVE IT CAN BE DONE WITH THE SUBSTITUTE WORDING I HAVE SUGGESTED (WITH POSSIBLE EXCEPTION OF ELIMINATING FIGHTER INTERCEPTOR SQUADRON). LET US NOT RAISE THE "BUDGETARY CONSTRAINTS" CONTINGENCY AT THIS PARTICULAR TIME IF WE DO NOT INTEND TO EXERCISE THIS FLEXIBILITY SOON.

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5. I HAVE COVERED POINTS ON THE 420 REDUCTION, EMPHASIS ON QUALIFIED ICELANDERS, STRIKE PROHIBITION, AND ON-BASE HOUSING CONSTRUCTION IN AN INFORMAL LETTER DELIVERED TO HANS ANDERSEN THIS MORNING (SEPTTEL).

6. COMICEDEFOR CONCURS IN THE PROPOSED CHANGES IN TACTICS PROVIDED BASIC OBJECTIVES REMAIN UNCHANGED.

7. MY NEXT MEETING WITH ANDERSEN IS SCHEDULED FOR 4PM TODAY LOCAL TIME (NOON WASHINGTON TIME).

IRVING

NOTE BY OC/T: NOT PASSED COMICEDEFOR, CINCLANT AND SECDEF.

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